

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

IN RE:

CIRCUIT CITY STORES, INC., *et al.*,
Debtors.

Chapter 11

Case No. 08-35653-KRH

Jointly Administered

**GREENBACK ASSOCIATES' RESPONSE TO
LIQUIDATING TRUST'S FORTIETH OMNIBUS
OBJECTION TO LANDLORD CLAIMS [Docket # 11851]**

Creditor Greenback Associates ("Greenback"), hereby responds to Liquidating Trust's Fortieth Omnibus Objection to Landlord Claims ("Objection") [Docket # 11851] as follows:

1. On November 10, 2008, Circuit City Stores, Inc. ("Debtor") and its related companies, including Circuit City Stores West Coast, Inc., filed voluntary petitions for relief under Chapter 11 of the United State Bankruptcy Code.
2. As set forth in Exhibit B to the Objection, the Liquidating Trustee proposes to reduce Greenback's claim no. 13378 to \$63,264.08, eliminating ALL rejection damages and claiming without justification that Greenback has failed to mitigate its damages.
3. Circuit City, Inc. leased from Creditor that commercial real property located at 7980 Arcadia Blvd., Citrus Heights, California pursuant to a written ground lease dated January 1, 1987, as amended and assigned. Circuit City, Inc. assigned the lease to Circuit City Stores West Coast, Inc. pursuant to Assignment and Assumption of Lease dated May 1, 1994. Under the Assignment and Assumption of Lease, Circuit City, Inc., as Assignor, was expressly not released from the performance of any of the lessee's obligations under the Lease and was to "remain primarily liable for said performance, including without limitation, the payment of rent

and the performance of all of the lessee's other obligations throughout the remainder of the term of the Lease." The lease term commenced originally on May 1, 1995 and was extended to and was to expire on April 30, 2015, pursuant to the First Amendment to Lease.

4. Circuit City, Inc. entered into possession of the Premises pursuant to the lease and after the Assignment, Circuit City Stores West Coast, Inc. continued to occupy the same until it vacated the Premises on or about March 10, 2009.

5. As set forth in its claim no. 13378, rejections damages were calculated pursuant to Bankruptcy Code section 502(b)(6) as follows:

Base Rent: \$49,815.07 per month x 12 months	\$597,780.84
Property Taxes for one year	76,756.20
TOTAL	\$674,537.04

6. Since rejection of the Lease, Greenback diligently and actively sought a replacement tenant. Greenback engaged Retail West (now Core Commercial Real Estate) as its real estate broker. Retail West marketed the premises "as available" through signage on the building, on a web-based commercial listing service called "Loopnet", on its website and through a marketing brochure. Marketing material is attached hereto as **Exhibit A**.

7. It took more than eighteen months to locate a replacement tenant but on or about October 1, 2010, Greenback Associates leased the premises to a replacement tenant (Wise Buys Liquidators, Inc.) who has since vacated the premises.

8. Liquidating Trustee may contact the following person at Greenback regarding its mitigation efforts:

Andrew C. Gianulias
2264 Fair Oaks Boulevard, Suite 100
Sacramento, California 95825
(916) 614-7900

9. Greenback undertook significant efforts to locate a replacement tenant and mitigate its damages and has met all applicable mitigation requirements. The Liquidating

Trustee has submitted no evidence to contrary and its Objection to Greenback's claim must be rejected.

WHEREFORE, Creditor Greenback Associates requests that the Court determine that this Creditor has actively sought to mitigate its damages; that its claim for rejection damages are not subject to reduction; that the Objection of the Liquidating Trustee in this regard be denied in its entirety; and, that this Creditor be granted any additional relief to which it may be entitled.

Dated: June 22, 2012

GREENBACK ASSOCIATES

By: /s/ Augustus C. Epps, Jr.

Augustus C. Epps, Jr.

Augustus C. Epps, Jr., Esquire
Jennifer M. McLemore, Esquire
Christian & Barton, L.L.P.
909 East Main Street, Suite 1200
Richmond, Virginia 23219-3095
Telephone: (804) 697-4104
Facsimile: (806) 697-6104

Jennifer L. Pruski, Esquire
Trainor Fairbrook
980 Fulton Avenue
Sacramento, California 95825
Telephone: (916) 929-7000
Facsimile: (916) 929-7111

jlp:0559100.1048541.1

Counsel to Greenback Associates

CERTIFICATE OF SERVICE

I, Augustus C. Epps, Jr., hereby certify that on the 22nd day of June 2012, a true and correct copy of Greenback Associates' Response to the Liquidating Trust's Fortieth Omnibus Objection to Landlord Claims [Docket #11851] has been served electronically using the ECF system on all registered users of the CM/ECF system who have filed notices of appearance in this matter and emailed separately to the following:

Jeffrey N. Pomerantz, Esquire
Andrew W. Caine, Esquire
Lynn L. Tavenner, Esquire
Paula S. Beran, Esquire

jpomerantz@pszjlaw.com
acaine@pszjlaw.com
ltavenner@tb-lawfirm.com
pberan@tb-lawfirm.com

/s/ Augustus C. Epps, Jr.
Augustus C. Epps, Jr.

EXHIBIT A

ANCHOR SPACE FOR LEASE

Former Circuit City

- Available: ±46,671 Square Feet
- At the Epicenter of the Local Market, with Sunrise Mall and Birdcage Center
- Large Monument Sign
- Over 98,000 Cars Per Day at the Intersection of Sunrise & Greenback
- Overflow Parking Available Across Arcadia which will Boost Parking to 5/1000 Ratio

DEMOGRAPHICS

	1 mile	3 miles	5 miles
Estimated 2011 Population	20,200	132,800	318,000
Households	8,000	52,200	123,500
Daytime Employees	7,890	31,000	103,900
Average Household Income	\$62,400	\$75,800	\$80,600
Median Household Income	\$51,400	\$64,000	\$67,400



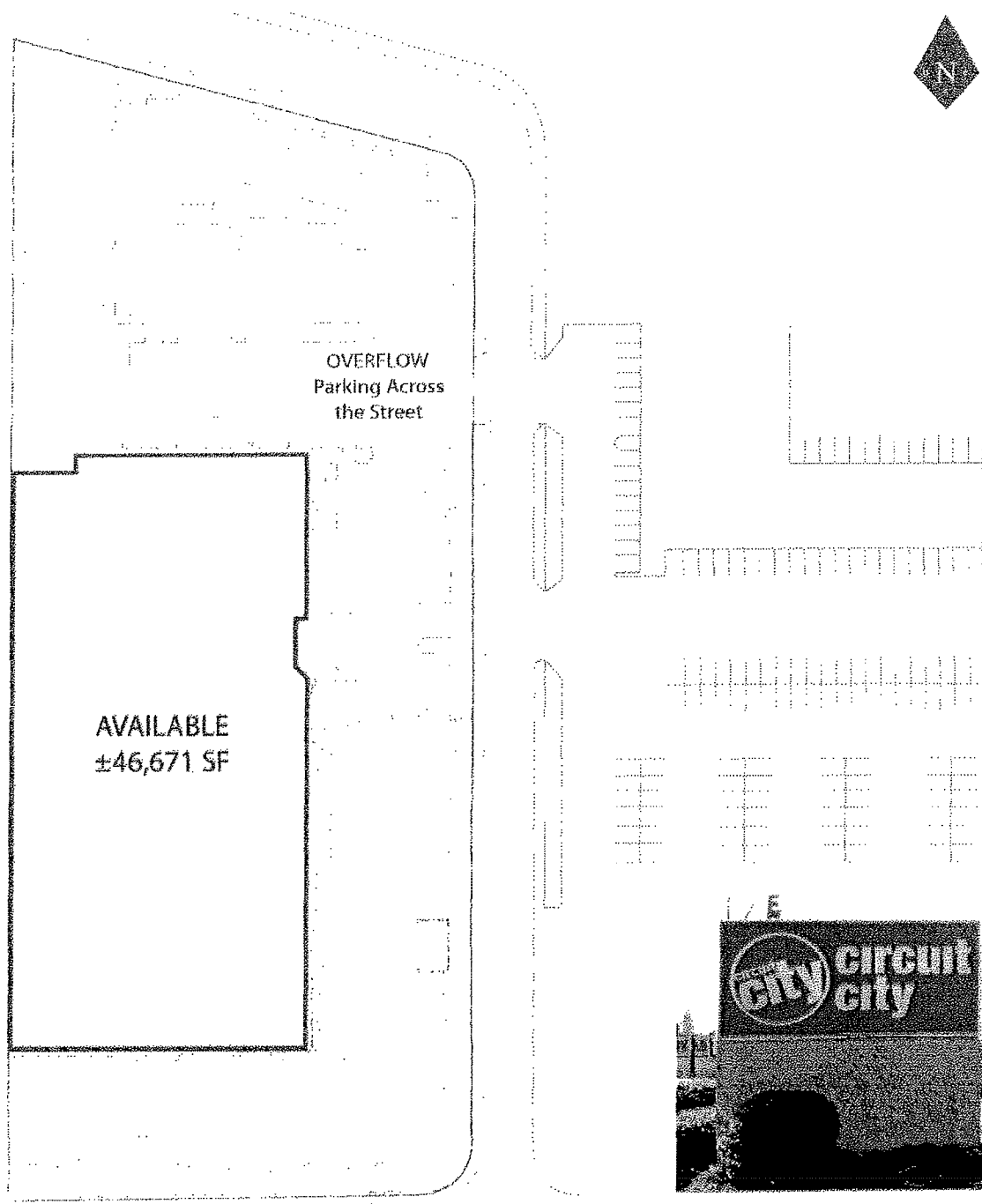
Bill Perkins
bp@corecre.com
916.274.4402
CA DRE #01114501

Stuart Snider
ss@corecre.com
916.274.4401
CA DRE #01132016

CORE Commercial
2264 Fair Oaks Blvd, Suite 201
Sacramento, CA 95825
CA DRE #01904661

CORE
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SITE PLAN & PHOTOS 7985 Greenback Lane, Citrus Heights



*OVERFLOW PARKING IS APPROXIMATED

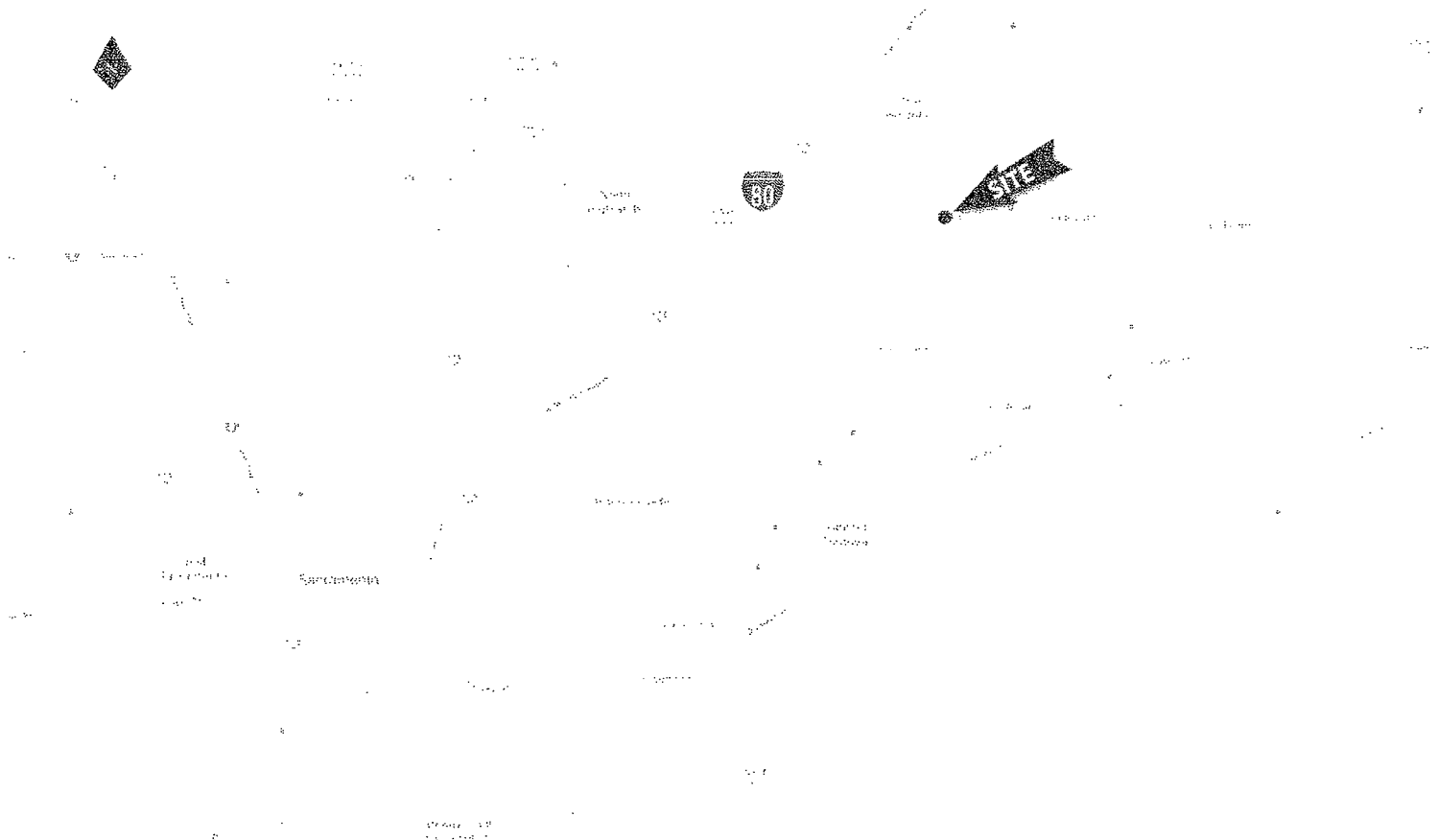
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AREA MAP & PHOTO 7985 Greenback Lane, Citrus Heights

This building, formerly occupied by Circuit City, consists of $\pm 46,671$ square feet of leaseable area in a single-tenant configuration, with minimal demising and obstructions on the floor. The site offers generous parking with overflow access, multiple access points and exposure to nearly 100,000 cars per day.

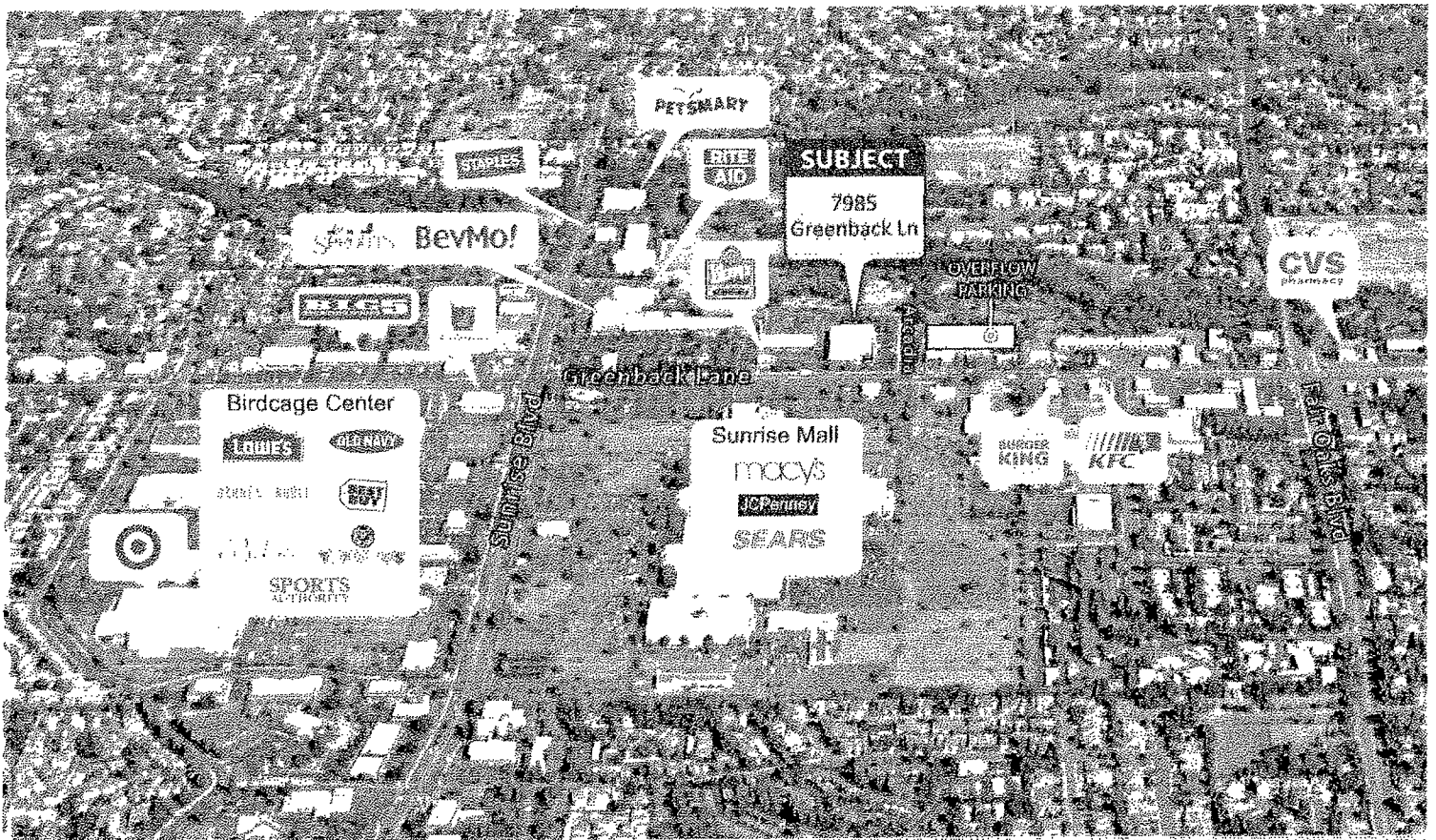
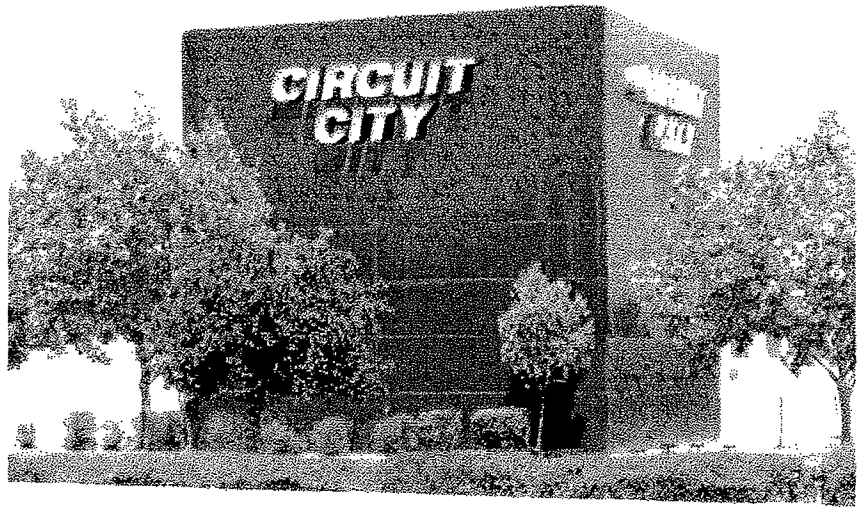
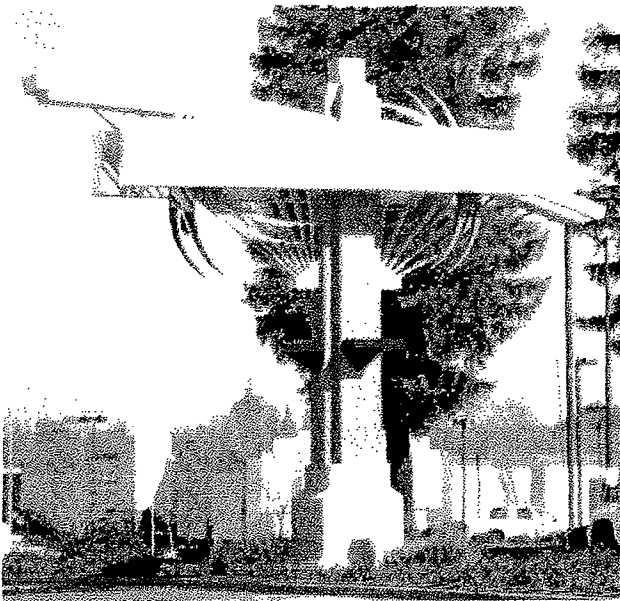


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AERIAL MAP & PHOTOS 7985 Greenback Lane, Citrus Heights



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